WASHINGTON, D.C. – Today, Congressman Jim Costa (D-Fresno) and a bipartisan group of legislators introduced the American Conservation and Clean Energy Independence Act. The bill outlines a practical, responsible energy plan for America to further develop domestic energy production, provide a funding stream to clean up the environment and fully develop clean energy technologies. Without using a single dime of taxpayer money, the bill provides funding for a variety of goals, including environmental restoration, energy conservation, renewable energy, carbon capture and sequestration, and the Low Income Home Energy Assistance Program (LIHEAP).

"This is a common sense, bipartisan bill that will put our nation on a path toward significantly reducing our dependence on foreign sources of energy," said Costa. "Together, we must work towards viable energy policy, and I feel we must use all energy sources we have here at home to develop domestic energy. Therefore, we must use all the energy tools in our energy toolbox to accomplish this goal."

Over the past several months, Costa has been working with a bipartisan group of House members to develop energy legislation. The legislation extends the boundary of costal states to a uniform 12 nautical miles and repeals the 125 mile moratorium on gas and oil production in the Eastern Gulf of Mexico. The total projected royalties for all the oil and natural gas estimated to be in the areas opened by the bill are approximately $2.2 trillion over the next twenty years. These revenues will be distributed to the state and federal government, as well as to a variety of environmental and energy programs, as follows:

â— 30% to Producing States

â— 20% to the Renewable Energy and Energy Efficiency Reserve

â— 10% to the Clean Coal Technology Deployment Carbon Capture and

Sequestration

Reserve

- 10% to the Environmental Restoration Reserve
- 10% to the General Fund of the U.S. Treasury
- 8% for the Conservation Reserve
- 5% to the Carbon Free Technology Deployment and Nuclear Energy Reserve
- 5% to the Clean Water Reserve
- 2% to the Low Income Home Energy Assistance Program (LIHEAP)

In addition, this legislation modifies the Strategic Petroleum Reserve to today's refining capabilities by exchanging 10% (70 million barrels) of the reserve's content and dedicates funds received from the exchange of supply and existing SPR funds ($523 million estimated) to existing conservation, e nergy research and development and energy assistance programs. Specifically, funds received will go toward programs such as winder energy research, solar energy research, marine and hydrokinetic renewable energy, geothermal energy and many more.

The bill also extends alternative and renewable energy production and investment tax credits until 2019 to provide predictability for investors and private capital to continue to build the clean energy infrastructure and production capacity and needed for more American produced energy.

Finally, the bill will expand the use of low carbon electricity production and enhance America's security by promoting fuel diversity, spurring the use of electric hybrids in transportation. To further these goals, the legislation requires the federal government to make minimum purchases of plug-in hybrids, and advises the Secretary of Energy to enter into negotiations to create common standards for electric and plug-in hybrid vehicles between Europe and Asia.

It also prepares a study to ensure infrastructure for plug-in hybrids is available, provides loan guarantees for advance battery purchases, creates a new tax credit for the most efficient vehicle in class, extends the tax credit for larger hybrid vehicles, and provides $50 billion in loan guarantees for energy generation units to provide low carbon diversification for America's electric grid.

"As we create new comprehensive energy policy to reduce our dependencies on foreign sources of energy in America, I believe that it is important for us to understand and agree to realistic transitional timelines in the short, near
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and long-term. Conventional energy, together with renewable sources and a strategy of energy conservation will best serve our long-term energy needs," concluded Costa.